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Marine Outlook

Highlights of the Marine Industry

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PORTS

Montreal

Increase in Handled Tonnage

Cargo traffic in the Port of Montreal increased by 1 % in the year's first quarter compared to 2005, handling a total tonnage of 12 Mt. Oil transportation increased by 21 %, reaching 3 Mt. The tonnage of cereal, which had dropped last year due to poor harvests, also increased by 20 %. The commodities sector is still on the rise with an approximate growth of 1 % compared to the first quarter last year.[1]

As of next April, the Port of Montreal will be equipped with new instruments able to detect the presence of radioactive substances that may be found in unloaded containers. Only a few containers are currently controlled, but from now on, all containers will be systematically monitored thanks to "detection gateways" that will not only allow the detection of radioactive substances, but the degree of radioactivity as well.[2]

Quebec

Decrease in Handled Tonnage

As of June 30, 2006, the tonnage handled in the Port of Quebec totalled an approximate 9.9 Mt, 1 % less compared to the same period last year. The tonnages of solid bulk (cereal, fertilizer, ore and concentrate, metallurgic coke, scrap metal etc.) increased by 18 %, while liquid bulk (petroleum products, chemical products etc.) dropped by 9 %.[3]

Close to 100,000 passengers and crew members are expected in Quebec City this year. Two ships will mark their first visit to Quebec, the *Asuka II* and the *MS Alexander Von Humbolt*. In addition, the *Sea Princess* and *Seabourn Pride* cruise ships will conduct embarking and disembarking operations for passengers on four occasions.[4]

Sept-Îles

Slight Decrease in Handled Tonnage

On June 30, 2006, 9.7 Mt of merchandise was handled in the Port of Sept-Îles, 1 % less than

[1] Montreal Port Authority; Mercure, Philippe, *"Le port de Montréal rêve à nouveau d'un record"*, La Presse, July 27, 2006.

[2] Biron, Richard, *"Les substances radioactives dans la mire du port de Montréal"*, La Presse, July 7, 2006.

[3] Quebec Port Authority.

[4] *"Le port de Québec la saison des croisières internationales sur le Saint-Laurent"*, Press release, Port of Quebec, May 12, 2006.

for the same period last year. A slight decrease in the transhipments of iron ore and other goods explains in large part this drop in handled tonnage, and this, despite a rise in the tonnage of aluminium. During the first quarter of 2006, 249 ships passed through the port, a dozen more than during the same period last year.[5]

Construction work worth $4.5 M just began in the Port of Sept-Îles and will essentially involve building a stowage station for the La Relance wharf and improving the Wabush Mines wharf infrastructures.[6]

In June, the *Société du port ferroviaire de Baie-Comeau* officially inaugurated building work on the rail extension between the local industrial park and the port. In total, $14 M will be invested in the project, which includes, in addition to the 6.3 km railroad, the expansion of the SOPOR's classification yard and the erection of a transhipment centre with handling capacity of one million square feet.[7]

Sorel

Increase in Handled Tonnage

On June 30, 2006, the total tonnage handled in the Port of Sorel was 2.7 Mt, 27 % more compared to the same period last year. This increase in tonnage is mainly due to a rise in the tonnage of ilmenite and metal ingots. A total of 136 ships passed through the port during the first quarter of 2006, approximately 20 fewer than in the same period last year.[8]

Port-Alfred

Decrease in Handled Tonnage

The tonnage handled at the port of Port-Alfred totalled 2.1 Mt as of June 30, 2006, a 5 % decrease compared to 2005. The first quarter of 2006 was marked by a drop in the tonnages of alumina, green coke, fluorite, calcinated coke, caustic soda and fuel oil. In terms of traffic, 58 ships passed through the port during the first quarter of 2006, a dozen less than for the same period last year.[9]

Havre-Saint-Pierre

Increase in Handled Tonnage

As of June 30, 2006, the tonnage handled by the port of Port-Alfred totalled 1.9 Mt, 58 % more compared to the same period last year. This increase in tonnage is mainly due to the rise in shipments of ilmenite (iron ore and titanium).[10]

Baie-Comeau

Increase in Handled Tonnage

As of June 30, 2006, the Port of Baie-Comeau handled a total tonnage of 1.6 Mt, 1 % more than at the same time last year. In terms of traffic, 89 ships docked at the Port of Baie-Comeau during the first quarter of 2006, a dozen less than in 2005.[11]

To this tonnage must be added approximately 402,000 t of merchandise that transited through the Port of Baie-Comeau via the *Georges-Alexandre-Lebel* in the course of the first six months of the year, a 2 % decrease compared to the same period last year. In terms of traffic, the train ferry made 239 round trips, a dozen fewer than in last year's first quarter.[12]

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[5] Sept-Îles Port Authority.
[6] *« Sept-Îles – Des travaux de 4,5 M$ au port »*, Radio-Canada Web site, July 22, 2006.
[7] Paradis, Steeve, *« Baie-Comeau : le projet SOPOR démarre »*, Le Soleil, July 22, 2006.
[8] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.
[9] Port-Alfred Port Authority.
[10] *« Cession du port de Havre-Saint-Pierre à la Corporation de développement et de gestion du port de Havre-Saint-Pierre »*, presse release, *Transports Canada*, March 17, 2006.
[11] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.
[12] *« Rapports des tonnages manutentionnés sur le traversier-rail Georges-Alexandre-Lebel »*, SOPOR and COGEMA, 2005 and 2006.

Trois-Rivières

Increase in Handled Tonnage

As of June 30, 2006, the tonnage handled by the Port of Trois-Rivières totalled approximately 1.3 Mt, 22 % more compared to same time period last year. All merchandise experienced a rise in tonnage compared to 2005.[13]

The Port of Trois-Rivières is equipping itself with a new aluminium transhipment centre in order to receive aluminium ingots transported by barge from Sept-Îles to Trois-Rivières. Thanks to transportation by barge, the traffic of heavy trucks on route 138 and highway 40 will be significantly reduced, since a single barge can carry the merchandise of 260 trucks, that is, 15,000 truck transits per year.[14]

Bécancour

Increase in Handled Tonnage

The Port of Bécancour handled a total tonnage of 837,000 t as of June 30, 2006, an 8 % increase compared to the same period last year. Transhipments of alumina recorded a significant increase compared to 2005. The port welcomed a total of 54 ships, 6 more than for the first quarter of 2005.[15]

Rimouski

Increase in Handled Tonnage

On June 30, 2006, the tonnage handled by the Port of Rimouski totalled 180,356 t, 41 % more than on the same date in 2005. This increase is mainly due to the rise in tonnages of gasoline and petroleum products. On the other hand, 31 ships docked in the port, 2 fewer than during the same period last year.[16]

Port-Saguenay

Increase in Handled Tonnage

As of June 30, 2006, the tonnage handled in the Port of Port-Saguenay totalled 157,000 t, 7 % more than for the same period in 2005. This increase can be attributed to the transhipment of solid bulk, and this, despite a drop in the tonnage of liquid bulk and general goods. The port welcomed 25 ships in the course of the year's first quarter, 5 more than for the same period last year.[17]

Matane

Decrease in Handled Tonnage

The Port of Matane handled a total tonnage of 101,854 t as of June 30, 2006, 19 % less than on the same date last year. The decrease in tonnages of gasoline and petroleum products is the main reason for this drop. In total, 15 ships docked at the port during the first quarter, 5 fewer than in the same period last year.[18]

To this tonnage must be added 402,000 t of merchandise that transited through the Port of Matane during the first quarter of 2006 via the *Georges-Alexandre-Lebel*. The train ferry made 239 round trips during this same period.[19]

Portneuf

Increase in Handled Tonnage

As of June 30, 2006, cargo traffic in the Port of Portneuf increased by 37 % compared to 2005, with handled tonnage totalling 79,421 t. This increase can be attributed to the rise in the unloading of coal. During the first quarter of 2006, the port welcomed 5 ships, the same number as for the same period last year.[20]

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[13] Rochette, Marc, *« Une hausse de 34 % pour le premier trimestre à Trois-Rivières »*, Le Nouvelliste, April 27, 2006.
[14] *« Nouveau centre de transbordement de l'aluminium au port de Trois-Rivières »*, TVA Web site, June 28, 2006.
[15] Bécancour Port Authority.
[16] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.
[17] Port-Saguenay Port Authority.
[18] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.
[19] *« Rapports des tonnages manutentionnés sur le traversier-rail Georges-Alexandre-Lebel »*, SOPOR and COGEMA, 2005 and 2006.
[20] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.

Gros-Cacouna

Decrease in Handled Tonnage

As of June 31, 2006, the tonnage handled by the Port of Gros-Cacouna totalled 75,138 t, 28 % less than at the same time last year. The decrease in transhipments of fertilizer, de-icing salt, sand and gravel explains this drop in tonnage, and this, despite the rise in shipments of scrap metal and metal wastes in destination for Asia. During the first quarter of 2006, the port welcomed a total of 17 ships, one less than last year.[21]

During the last G8 Summit in Russia, the Prime Minister of Canada and the Russian President evoked talk of a significant liquefied natural gas shipping project from Saint Petersburg to Gros-Cacouna, where it will then be sold to the North American markets. The Petro-Canada corporation has already addressed the *Régie de l'énergie du Québec* requesting permission to import Russian liquefied natural gas to the refuelling terminal of Gros-Cacouna.[22]

The Federation of Chambers of Commerce of the Province of Quebec (FCCQ) supports the project of a methane port in Gros-Cacouna in the Lower St. Lawrence. According to the Federation, Quebec relies on a single natural gas supply source, which is located in Western Canada. That is why the Federation finds it important that Quebec be able to benefit from alternative and competitive sources of natural gas supplies. The Federation also supports the Rabaska project in Lévis, given that there is room for two methane ports in Quebec. [23]

Moreover, the *Institut maritime du Québec* in Rimouski is very optimistic about the construction of a methane terminal in Gros-Cacouna. According to the Institute, the world fleet (180 methane carriers in 2005) will double from now on to 2009. These ships use steam-powered turbines and Quebec has the expertise and equipment to teach future marine pilots the particular skills required for this technology.[24]

On the other hand, during recent works of the *Bureau d'audiences publiques sur l'environnement* (BAPE) regarding the possibility of building a methane terminal in Gros-Cacouna, several opposing groups and citizens presented memorials protesting against the realization of the project. Numerous concerns were expressed, such as the endangerment of the cultural resources and heritage of Cacouna. The negative effect on the tourist and recreational potential is also evoked, namely noise pollution and odour, as well as the dangers related to terrorism or to catastrophes. Certain ecologists also believe that the project could destroy the various bird habitats of the region.[25]

Gaspé

Increase in Handled Tonnage

As of June 30, 2006, the tonnage handled in the Port of Gaspé totalled 37,870 t, 7 % more than in 2005. This increase can be attributed to a rise in the unloading of de-icing salt. The port welcomed 10 ships during the first quarter of 2006, the same number as for this period last year.[26]

Pointe-au-Pic

Decrease in Handled Tonnage

On June 30, 2006, the total handled tonnage in the Port of Pointe-au-Pic was 33,728 t, 3 % less than at the same period last year. The decrease in shipments of newspaper is to blame for this drop in tonnage. The number of ships decreased with a total traffic of 6 ships

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[21] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.
[22] Cheadler, Bruce, *« Moscou et Ottawa évoquent un projet commun à Gros-Cacouna »*, La Presse, July 16, 2006
[23] Larouche, Marc, *« Port méthanier à Cacouna - Appui des chambres de commerce »*, Le Soleil, June 12, 2006.
[24] Larouche, Marc, *« Appuis de taille au port méthanier à Cacouna »*, Le Soleil, June 14, 2006.
[25] *« Terminal méthanier – Troisième journée d'audiences »*, Radio-Canada Web site, June 15, 2006; *« Terminal méthanier – La voix des opposants s'amplifie »*, Radio-Canada Web site, June 16 2006.
[26] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006.

compared to 11 ships for the same period in 2005.[27]

SUMMARY OF THE FIRST TWO QUARTERS OF 2006

Estimation and Comparison of the Tonnages Handled at the Main Ports of Quebec During the First Two Quarters of 2006 and 2005

List of Ports	Jan.-Sept. 2006	Jan.-Sept. 2005	Variation [28] 2006 / 2005
1. Montreal	12 Mt	11.9 Mt	+ 1 %
2. Quebec	9.9 Mt	10 Mt	- 1 %
3. Sept-Îles	9.66 Mt	9.75 Mt	- 1 %
4. Port-Cartier	N.D.	N.D.	---
5. Sorel	2.7 Mt	2.1 Mt	+ 27 %
6. Port-Alfred	2.1 Mt	2.2 Mt	- 5 %
7. Havre-Saint-Pierre	1.9 Mt	1.2 Mt	+ 58 %
8. Baie-Comeau [29]	1.62 Mt	1.6 Mt	+ 1 %
9 Trois-Rivières	1.3 kt	1.1 kt	+ 22 %
10. Bécancour	837 kt	777 kt	+ 8 %
11. Rimouski	180 kt	128 kt	+ 41 %
12. Port-Saguenay	157 kt	146 kt	+ 7 %
13. Matane [29]	102 kt	126 kt	- 19 %
14. Portneuf	79 kt	58 kt	+ 37 %
15. Gros-Cacouna	75 kt	104 kt	- 28 %
16. Gaspé	38 kt	35 kt	+ 7 %
17. Pointe-au-Pic	34 kt	35 kt	- 3 %
Total (without Port-Cartier)	**42.7 Mt**	**41.3 Mt**	**+ 3.4 %**

Source: Port authorities and Transport Canada

Compilation: DRPE, Fisheries and Oceans Canada, Quebec region

[27] "Detailed report on tonnage handled at harbours and ports in Quebec", Transport Canada, 2005 and 2006

SEAWAY

Significant Increase in tonnage transported on the Seaway

During the first quarter of 2006, the Saint Lawrence Seaway welcomed 1,602 ships, representing a 14 % increase compared to the previous year. An increase in traffic is also observed during the same period. Ships transiting through the Seaway transported 16.2 Mt of cargo, 15 % more than for the same period last year. All types of commodities sustained a growth in cargo traffic on the Seaway: cereal (+ 26 %), iron ore (+ 8 %), coal (+ 6 %), other bulk goods (+ 6 %) and general cargo (+ 68 %).[30]

The considerable rise in shipments of steel explains this significant increase in cargo traffic on the seaway, as a result to the growing demand from Canadian steel works and Canadian importations of steel products coming from numerous countries. On their own, steel importations from countries like Russia, South Korea, Egypt, Turkey, Germany and China recorded a 30 % increase in the number of transoceanic ships using the Seaway.[31]

Signing of a Statement of Agreement on De-icing Activities in the Saint-Lawrence Seaway

The government of Canada and the Mohawks of Akwesasne signed a statement of agreement regarding de-icing activities in the Saint-Lawrence Seaway. Under the agreement, Akwesasne Mohawks are to be informed of all de-icing activities. They will also take part in a joint project with the Saint-Lawrence Seaway Management Corporation of Canada and the Saint-Lawrence Seaway Development

[28] Variations in tonnages are calculated based on non rounded-off data of the handled tonnages.
[29] This data does not include the tonnage passing through the ports of Baie-Comeau and Matane via the *Georges-Alexandre-Lebel* rail ferry.
[30] « *Résultats mensuels du trafic de la Voie maritime en date du 30 juin 2005* », Réseau Grands Lacs / Voie maritime du Saint-Laurent, July 18, 2006.
[31] Ibid

ill be
Corporation of the United States, which we the
conducted on a 3- year period to observe
effects of de-icing activities.[32]

MARINE SECURITY

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Marine Transportation: a Potential Target Terrorist Attacks

ector
The international marine transportation sector
offers numerous possibilities for all terrorist
groups to take action. This is the opinion add
international marine security experts who into
that bringing a weapon of mass destruction sible
a port via a commercial ship is a very plausafe
scenario. No port in the world would be ners
from such a possibility. In 99 % of containers
handled throughout the world, nothing is done
to supervise or control the merchandise that
goes in them.

two
In a report published in the end of April, are
marine safety experts estimate that there is as
many potentially weak points, summarized as
physical attack against ports, vessels or cargo,
of the funding of terrorist groups, the traffic of
weapons, explosives, different dangerous
materials and more. They also add that any
serious intrusion into the international marine
transport network could be catastrophic in terms
of loss of human lives in addition to severe
disrupting international marine trade.[33]

The Background of Marine Facility Employees Will Be Closely Examined

that
Last June, Transport Canada announced marine
modifications would be made to the Maritime
Security Regulations in order to enhance
marine security in Canada. Under the Maritime
Facility Restricted Area Access Clearance
Program, the Department will require, among
other things, all port workers to submit to a
background inquiry. This requirement will obligate all port workers who fulfil certain functions or who have access to certain restricted access areas to detain a marine facility site access clearance. This obligation will also apply to marine pilots, wharf guards, security personnel and to seafarers who detain seafarer identity documents.[34]

Canada Supports International Marine Security Efforts

The Government of Canada has contributed $500,000 to the International Maritime Organization's International Maritime Security Trust Fund. Canada's contribution is the largest contribution ever made to the fund by a single member state. The International Maritime Security Trust Fund helps developing countries meet international maritime security standards set by the International Maritime Organization. Canada's contribution to the fund will namely help contracting states to implement the requirements of the International Ship and Port Facility Security Code (ISPS).[35]

The *Institut maritime du Québec* Could Become a Centre for Research and the Fight Against Terrorism

The possibility of a terrorist act in a Canadian port facility or via a ship is one that is taken very seriously. That is why a $21 M project is currently under study to turn the *Institut maritime du Québec* in Rimouski into a centre for research and training in the fight against terrorism, in collaboration with the Maritime Innovation and the Maritime College of the State University of New York.[36]

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[32] *« Signature d'un protocole d'entente sur les activités de déglaçage dans la Voie maritime du Saint-Laurent »*, press release, Transports Canada, June 29, 2006.
[33] *« Cauchemar en haute mer – Aucun port n'est à l'abri »*, Le Soleil, July 5, 2006.
[34] *« Transports Canada propose des modifications réglementaires pour accroître la sûreté portuaire »*, press release, Transports Canada, June 28, 2006.
[35] *"Canada Supports International Marine Security Efforts"*, press release, Transport Canada, June 23, 2006.
[36] *« L'IMQ pourrait devenir un important centre de sécurité maritime »*, Radio-Canada Web site, May 27, 2006.

WORLD MARINE TRANSPORTATION

Expansion of the Panama Canal

In reaction to increasing world maritime traffic, as well as to the growing size of cargo ships, the Panama Canal will be the subject of an expansion project for which work is estimated to reach close to $US 5.25 billion. Construction work should begin next year and the inauguration of the new traffic corridor is scheduled for 2014. More than 600 Mt of merchandise will then be able to transit through the Canal, double the current capacity.[37]

International shipping companies and the World Shipping Council back the Panama Canal expansion project in order to enable it to welcome the next generation of cargo ships capable of carrying 12,500 containers and more. According to the World Shipping Council, the expansion of the Canal is necessary in order to preserve the connecting commercial channel between Asia and the United States. Cargo ships with a capacity of more than 10,000 EVP containers represent 10 % of the world fleet and sustain a 2 % annual growth since 1999. The order books of these mega ships suggest they could eventually count for 50 % of the world's cargo ship fleet by sometime around 2011.[38]

MARINE TRANSPORT IN CANADA

The Importance in Creating a "Gateway" Council for the Great Lakes and St. Lawrence Waterways

The announcement of the recent bill creating the Canadian Pacific Gateway Council by the federal government incites the Chamber of Maritime Commerce (CMC) to hope that a similar "gateway" status be conferred upon the Great Lakes and St. Lawrence Waterways. According to the CMC, the St. Lawrence Seaway and overall waterways must be developed and improved in order to adapt them to the ever-changing world economy.

In a context of exponential growth in world trade expected for the next 20 years, Canada's main commercial transport ways show signs of congestion and could no longer be efficient for significant traffic in the future. In this perspective, the CMC and several member organizations of Canada's Marine Industry Alliance believe that a strategic framework must be created and that a new vision must be adopted as of today, namely by investing in the infrastructures on the overall maritime transportation network of the Great Lakes and St. Lawrence Seaway and waterways.[39]

There is Room for Greater Use of Coastal Shipping in Canada

There are more and more heavy trucks travelling on the roads of Quebec and Canada every day. Resorting to ships for the transport of manufactured goods is a solution put forward in Oceania and in Europe to reduce road transportation. The idea is also brought forward in Canada, but it seems that the Canadian Marine Industry is poorly equipped for the shipping of merchandise between Canadian ports.

According to the Maritime Innovation, the infrastructure of several ports is not adapted for intermodal transport, namely in regard to the loading and unloading ramps of dump trailers. Note that on the St. Lawrence River, coastal shipping only counts for a quarter of overall marine traffic. Yet, coastal shipping constitutes a migration path in many regards. In addition to being of a more energy-efficient and economic means of transportation than road transport, it also contributes in reducing road system traffic, already much solicited by numerous users.[40]

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[37] Ryan, Léo, « *Le facteur Panama* », Maritime Magazine, no 41.
[38] "World Shipping Council backs Panama Canal Expansion", Canadian Sailings, June 5, 2006.

[39] Johnston, Raymond, « *La création d'un Conseil de « porte d'entrée » de la Voie navigable des Grands Lacs et du Saint-Laurent devient urgent* », Maritime Magazine, no 39.
[40] « *L'industrie mal équipée pour aider à réduire le transport routier* », Radio-Canada Web site, May 29, 2006.

ENVIRONMENT

"Green" Maritime Transportation

Companies such as Wal-Mart, IKEA, Nike, Home Depot and other large companies created the *"Clean Cargo Working Group"* in collaboration with important shipping companies, in order to promote sustainable and ecological maritime transportation. The work group will try to find ways to standardize good environmental practices in the marine transportation sector. In a world context of urgency to reduce greenhouse gas emissions, large multinational companies will tend to favour product distribution and supply from shipping companies that also demonstrate awareness of environmental protection and energy efficiency.[41]

A Regulation Project Aimed at Limiting Pollution of the Canadian Marine Environment

Last June, Transport Canada announced a regulation project to modernize and improve the current program, which aims to prevent ships from polluting Canadian waters. With this project, the government wishes to eliminate the deliberate, negligent or accidental spill of pollutants from ships into the Canadian marine environment. In more concrete terms, the regulation project wants to consist of a compilation of the current requirements of the Canadian Shipping Act. It also introduces various new requirements that are necessary to allow Canada to go forward with the adoption of all the optional dispositions of the International Convention for the Prevention of Pollution from Ships and adopt the convention targeting antipollution systems.[42]

[41] Gédéon, Julie, "Green Shipping : A New Licence to Trade", Canadian Sailings, June 5, 2006.
[42] *« Projet de règlement pour prévenir la pollution causée par les navires et surveiller le transport de produits chimiques dangereux à bord »*, press release, Transports Canada, June 16, 2006.

COMMODITIES

Iron ore

Increase in Quebec Production of Iron Ore

The latest statistics on iron production in Quebec indicate a production of approximately 5 Mt for the first five months of the year, 17 % more than during the same period last year.[43]

With the current increases in the global price of iron, mining companies are taking an interest in projects to expand their production. To this effect, the Quebec Cartier mining company is currently conducting prospecting tests in order to evaluate the concentration of the iron deposit of Fire Lake, near Fermont. This deposit would serve as a backup mine to the Mont Wright mine, especially during periods of high demand for ore and pellets. If the concentration of the deposit is revealed to be promising and profitable, Quebec Cartier could begin operations as of 2007.[44]

Moreover, the Consolidated Thompson Lundmark Gold Mines prospecting company is conducting drillings on the lake Bloom iron deposit site near Fermont. A technical study confirms the presence of 640 Mt of iron, a volume large enough to produce 5 Mt of iron concentrate per year, for 40 years.[45]

Wheat

Anticipated Increase in the Production of Wheat

Humidity conditions in winter were good and the seeded land area of grains and cereal has increased. For these reasons, the Canadian Wheat Board forecasts a harvest of 26.8 Mt in 2005-2006, of which approximately 60 % will be exported. However, according to the president

[43] "Production of Canada's Leading Minerals", Natural Resources Canada, May 2006.
[44] *« Le gisement de fer de Fire Lake pourrait être exploité de nouveau »*, Radio-Canada Web site, May 26, 2006.
[45] *« Gisement de fer – Forages complémentaires au lac Bloom »*, Radio-Canada Web site, July 24, 2006.

of Bunge of Canada, although the strong world demand in cereal allows us to be optimistic for Canadian produces, there is room to question the capability of the interior Canadian fleet to accept additional volumes. In fact, it has been noted for several years now that the number of Canadian bulk cargo ships reserved for the transportation of cereal is decreasing because of an aging fleet.[46]

Aluminium

Increase in Canadian Aluminium Production

The most recent statistics on the Canadian production of aluminium indicate production of 1.3 Mt for the first five months of 2006, a 12 % increase compared to the same period last year.[47] World demand for aluminium remains very strong and everything leads to believe that this situation should continue over the course of the following years. According to a study of the AME Mineral Economics, world aluminium consumption should increase by 4.8 % annually over the next five years.[48]

Alcan recently announced an $8.2 M investment in its Shawinigan plant to considerably increase its production capacity of aluminium alloy strips for the construction sector and different industrial markets. The increased production should begin by the fourth quarter of 2006.[49]

Lumber

Hard Times Remain in the Forecast for the Lumber Industry

In the opinion of industry experts, the Quebec lumber industry does not seem to have reached the end of its troubles. The Canadian-American agreement on lumber trade is not yet in effect, since it should be the object of a vote in fall in the House of Commons. To this must be added the decrease in supplies; the poor currency exchange; export tax payments, which are still ongoing; and the significant drop in lumber prices. In short, it is firmly anticipated that the shutting down of plants, production decreases and bankruptcies will still be on the menu for the Quebec lumber industry for another few months.[50]

FERRIES

The Future of the *Camille-Marcoux* is Uncertain

The future of the *Camille-Marcoux*, which ensures shuttle service between Matane, Baie-Comeau and Godbout, is uncertain. Considerable funds will have to be invested for the ferry to comply with the new federal navigation standards that will come in force in 2012. The *Camille-Marcoux*, currently on dry dock, must absolutely be altered or replaced between now and 2012.[51]

Project for Fluvial Public Transportation between Longueil and Montreal

The *Navettes maritimes du Saint-Laurent* company is studying the feasibility of offering a fluvial public transportation service between Longueil and Montreal, a project that would contribute in reducing traffic of trunk roads and bridges of the South Shore already heavily congested during rush hours. Although this project of fluvial public transportation is only still at the exploration phase, everything seems to indicate that the service could be offered between the months of April and November, during the week at rush hours. The *Tandem* and *Transit* shuttles would be used to ensure the branch-line service. In the event that the two shuttles operate at full capacity, it would then be possible to envision transporting 1,200 passengers per hour. Note that the *Navettes maritimes du Saint-Laurent* already offers a shuttle service between the two shores during

[46] Ryan, Léo, « *Commerce des céréales : des perspectives prometteuses pour le Canada* », Maritime Magazine, no 40.
[47] "Production of Canada's Leading Minerals", Natural Resources Canada, May 2006.
[48] « *Bulletin d'information de l'Association de l'aluminium du Canada* », Association de l'aluminium du Canada, May 2006.
[49] Ibid

[50] Riverin, François, « *Les producteurs de bois d'œuvre québécois au pied du mur* », Les Affaires, August 12, 2006.
[51] Michaud, Henri, « *Le sort du Camille-Marcoux toujours incertain* », Le Soleil, July 22, 2006.

the summer season, but this one is mainly used for tourist and recreational activities.[52]

The *Jeune Chambre des Basques* concerned about the Future of the Trois-Pistoles / Les Escoumins Crossing

In order not to lose the ferry service for a third consecutive summer, the *Jeune Chambre des Basques* considers that the Government of Canada must engage itself in repairing the Trois-Pistoles and the Escoumins wharves as soon as possible. The *Jeune Chambre* is concerned about the survival of the ferry service if the government delays approval for the reconditioning of the two wharves.[53]

INTERNATIONAL CRUISES

Sept-Îles Wishes to Become a Stop-over for Cruise Ships

Just as Baie-Comeau and Havre-Saint-Pierre, Sept-Îles would like to become a stop-over station for future cold water cruise ships on the St. Lawrence. Promoters remain however aware that Sept-Îles will have to limit itself to welcoming small-size vessels with a few hundred passengers aboard. The bay of Sept-Îles will have to be dredged to increase its depth by one metre at the different wharves. Moreover, the city will also have to equip itself with welcoming facilities as well as tourist products likely to attract customers.[54]

International Cruise Liner Companies Would Like to Make Stop-Overs in Gaspésie

According to the *Office du tourisme du Rocher-Percé*, approximately four international cruise ship companies would like to add the Gaspé peninsula to their itinerary. To make the most of this opportunity, the cities of Gaspé, Percé and Chandler formed a working committee. One of the tasks will be to analyze the region's tourist offer and see if it meets the demands of the cruise ship companies. The first stop-overs could take place by 2009.[55]

PLEASURE BOATING

Urgent Repair Work Conducted on the East-Rimouski Marina

The marina of the Port of East-Rimouski could possibly be used this summer. In fact, emergency repairs to the pontoon anchors will allow the proper solidifying of the site so that approximately one hundred users can moor their small vessels. However, the Port Corporation considers that these repairs only postpone the major work that is judged to be necessary and that is more costly.[56]

Major Work at the Matane Marina

The 104 pontoons of the Matane marina already bears 25 years of service and time has come to renovate them. Approximately sixty of those are currently in the process of being renovated, and the others will be renovated next year. All of the marina's floatation cans are to be replaced, which should improve client safety. The clientele has grown significantly since the organization *Québec-Maritime* was set up to promote the region. Apart from the marina's regular members, the request for wharf places reserved for pleasure boats passing through has not stopped growing.[57]

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[52] *« L'entreprise Navettes maritimes du Saint-Laurent lève le voile sur son projet de transport en commun fluvial entre Longueil et Montréal »*, Canada NewsWire, July 14, 2006.
[53] *« Traversier Trois-Pistoles / Les Escoumins »*, Radio-Canada Web site, June 16, 2006.
[54] *« Croisières sur le Saint-Laurent – Sept-Îles veut être de la partie »*, Radio-Canada Web site, June 27, 2006.
[55] *« La Gaspésie se fait belle pour les croisières »*, Radio-Canada Web site, July 10, 2006.
[56] *« Marina du port de Rimouski-Est – Des travaux d'urgence seront financés par le fédéral »*, Radio-Canada Web site, June 21, 2006.
[57] *« Club de yacht de Matane – 60 000 $ pour améliorer la marina »*, Radio-Canada Web site, May 15, 2006.

COMMENTS

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